



---

## WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

---

|  |  |
|--|--|
| <b>2001 Assembly Bill 18</b>   | <b>Assembly Amendments<br/>1, 2, 3, 4, 5 and 6</b> |
| Memo published: February 28, 2001<br><i>Contact: Robert J. Conlin, Senior Staff Attorney (266-2298)<br/>Don Dyke, Senior Staff Attorney (266-0292)</i> |  |

*Current law* provides that a campaign disbursement or obligation that is not made or incurred by a candidate or an entity primarily organized for political purposes nevertheless is required to be reported to the Elections Board if the purpose of the disbursement or obligation is to expressly advocate the election or defeat of a clearly identified candidate. Current law also imposes a registration and reporting requirement on those individuals or entities making contributions or disbursements for “political purposes.” Additionally, under current law, with certain exceptions, those required to register under the campaign finance law are required to file regular reports that identify certain contributions, transfers, loans and other income received and certain disbursements and obligations made. However, if a registrant does not maintain an office or street address within the state, the registrant need only identify contributions, transfers, loans and other income received from sources in this state and disbursements and obligations incurred with respect to elections for state or local office in this state.

Finally, current law regulates and restricts corporate involvement in election financing. For example, current law prohibits any foreign or domestic corporation or cooperative association from making any contribution or disbursement, either directly or indirectly, for a political purpose, other than to promote or defeat a referendum. Notwithstanding this general restriction on corporate political expenditures, the law allows any corporation or cooperative association to establish and administer a separate segregated fund and to solicit contributions from individuals to the fund to be utilized by such corporation or association for the purpose of supporting or opposing any candidate for state or local office. However, the corporation or association is prohibited from making any contribution to the fund. Generally, a corporation or association is limited to a combined total of \$500 annually in expenditures for the solicitation of contributions to such a fund.

*Assembly Bill 18* adds to the definition of the term “political purposes” by specifically including a communication that: (1) is made by means of one or more communications media or a mass mailing or through a telephone bank operator; (2) is made within 60 days preceding an election; and (3) includes a name or likeness of a candidate, the name of an office to be filled at that election or the name of a political party. The term “telephone bank operator” is defined to mean any person who places or directs

the placement of telephone calls to an individual. In addition, the bill deletes the exception for registrants who or which do not maintain an office or street address within the state so that these registrants are required to report the same information as other registrants.

**Assembly Amendment 1** provides that a communication only including the name of a political party will not be considered a communication made for a political purpose.

Adoption of Assembly Amendment 1 was recommended by the Assembly Committee on Judiciary by a vote of 6 Ayes, 1 No, on February 22, 2001.

**Assembly Amendment 2** provides that no individual or organization required to register under the campaign finance law may accept any contribution made by a committee or group that does not maintain an office or street address in Wisconsin at the time the contribution is made, unless that committee or group is registered with the Federal Elections Commission under federal law.

Adoption of Assembly Amendment 2 was recommended by the Assembly Committee on Judiciary by a vote of 7 Ayes, 0 Noes, on February 22, 2001.

**Assembly Amendment 3** amends the definition of the term "telephone bank operator" to mean a person who places or directs the placement of 50 or more substantially identical telephone calls to individuals.

Adoption of Assembly Amendment 3 was recommended by the Assembly Committee on Judiciary by a vote of 7 Ayes, 0 Noes, on February 22, 2001.

**Assembly Amendment 4** increases the authorized FTE positions for the Elections Board by 1.0 GPR positions and provides for supporting expenses for that position and for the limited-term staffing needs of the Elections Board for the purposes of implementing the bill. The amendment increases the appropriation of the Elections Board in each fiscal year of the 2001-03 biennium by \$67,400.

Adoption of Assembly Amendment 4 was recommended by the Assembly Committee on Judiciary by a vote of 5 Ayes, 2 Noes, on February 22, 2001.

**Assembly Amendment 5** treats labor organizations like corporations and cooperative associations for purposes of the campaign finance law. Thus, a labor organization would be prohibited from making contributions or disbursements for political purposes, other than to promote or defeat a referendum. However, a labor organization could establish and administer a separate segregated fund and solicit contributions for that fund.

Adoption of Assembly Amendment 5 was recommended by the Assembly Committee on Judiciary by a vote of 5 Ayes, 2 Noes, on February 22, 2001.

**Assembly Amendment 6** provides that anyone who makes a communication described in the bill and who fails to comply with campaign registration or reporting requirements or who, as a result of the communication, makes an unlawful contribution or disbursement or incurs an unlawful obligation, is subject to a civil forfeiture of not more than three times the amount or value of the cost of the communication. Under the amendment, criminal penalties will not apply to the violation.

Adoption of Assembly Amendment 6 was recommended by the Assembly Committee on Judiciary by a vote of 4 Ayes, 3 Noes, on February 22, 2001.

RJC:DD:rv:wu:ksm